THURSDAY 1/11/18

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The Pulse of Paradise

Honolulu Star Advertiser

Sony Open swings away

Justin Thomas returns to defend his title at this year's tournament

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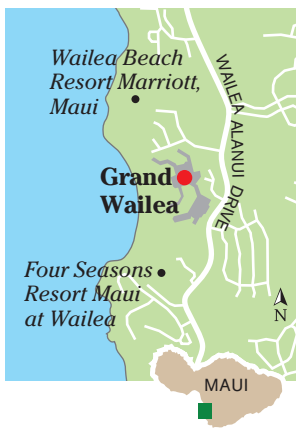
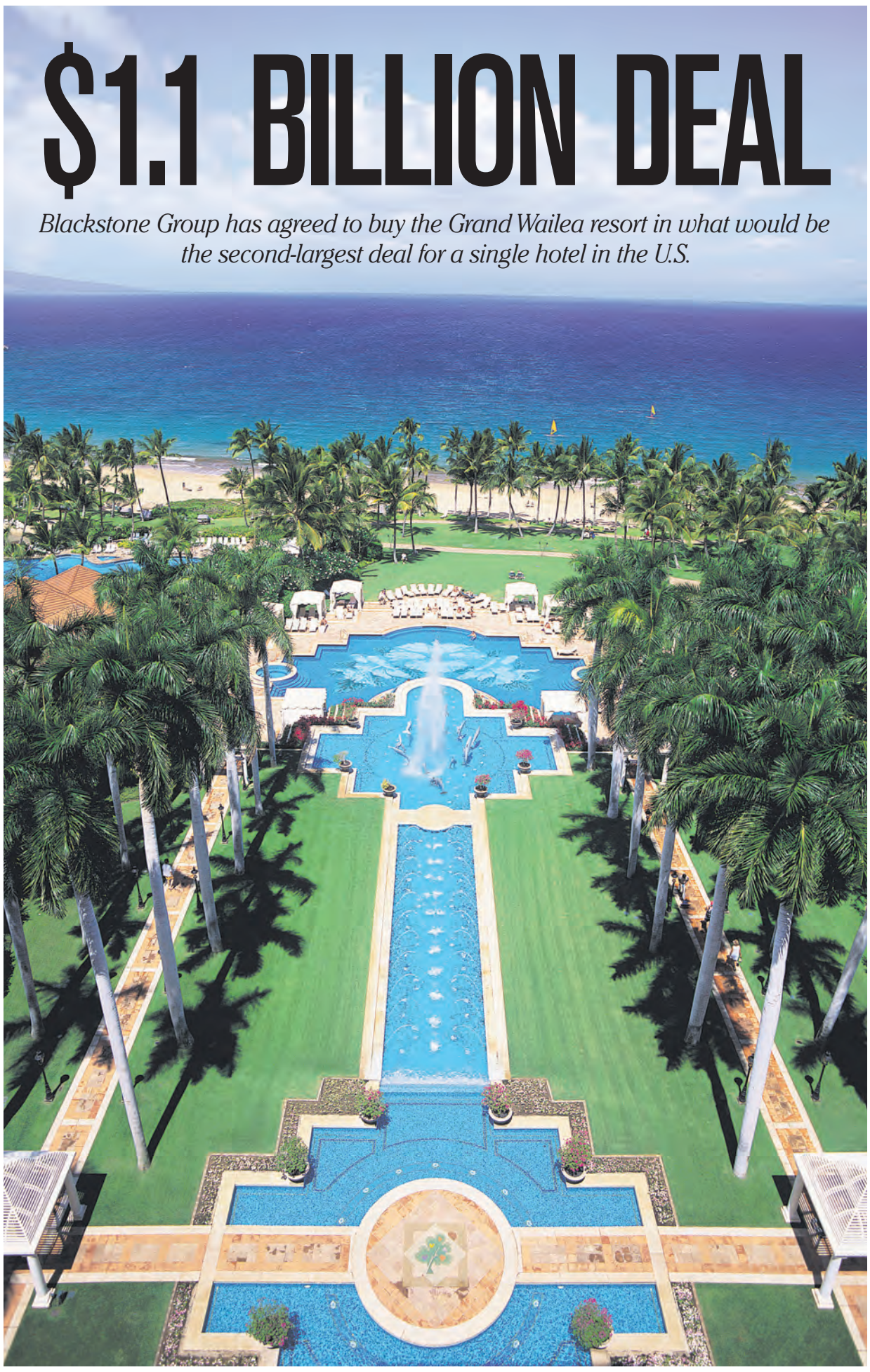


STAR-ADVERTISER

$1.1 BILLION DEAL

Blackstone Group has agreed to buy the Grand Wailea resort in what would be the second-largest deal for a single hotel in the U.S.



STAR-ADVERTISER / 2006

By Allison Schaefers
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The pending sale of Grand Wailea resort on Maui for $1.1 billion will be the highest price paid for a Hawaii hotel and the second highest paid for a hotel in the United States.

New York-based Blackstone Group LP, a private equity firm, plans to purchase the Grand Wailea, according to a source familiar with the deal.

The sale of the 776-room Grand Wailea for the equivalent of $1.4 million per room bodes well for the continued strength of the Hawaii hospitality investment market.

It's "far and away the most expensive" single-hotel transaction ever in Hawaii, said Joseph Toy, president and CEO of Hospitality Advisors LLC.

"It's a big number for a very good hotel that's front-loaded, so it has large, ocean-view rooms," added Keith Vieira, principal of KV and Associates, Hospitality Consulting LLC.

Hawaii is attracting very "sophisticated and savvy" buyers, Toy said.

"This purchase by Blackstone shows the confidence that these investors have in Hawaii. It's great news for Hawaii. Not only are they spending top dollars to acquire the asset, but they'll put money back into it to help increase the valuation for investment returns," Toy said.

Vieira said he expects Blackstone will renovate the Grand Wailea to attract even higher-spending visitors.

"They have the money to invest in creating a higher level of service or product," he said.

Blackstone acquired Turtle Bay Resort in October for roughly $330 million. In the past, the company has owned other Hawaii properties, including the Hyatt Regency Waikiki Beach Resort and Spa, Marriott Wailea Beach Resort Maui, Hilton Hawaiian Village Waikiki Beach Resort and Hyatt Regency Maui Resort and Spa.

The $1.1 billion price tag would make the Grand Wailea sale second only to the sale of Manhattan's Waldorf Astoria for $1.95 billion almost three years ago. China's Anbang Insurance Group Co. bought the Waldorf Astoria from Hilton Worldwide Holdings Inc.

Blackstone will be buying the Grand Wailea from GIC Pte, Singapore's sovereign wealth fund.

Please see **WAILEA,** *A9*

Chin seeks $2.5 million for security

Funds could cover cost of TMT protests

By Nanea Kalani
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Hawaii Attorney General Douglas Chin, the state's chief law enforcement officer, is seeking $2.5 million from the Legislature that he said would be used to respond to potential mass violence or civil disobedience events — and, possibly, demonstrations atop Mauna Kea.

Chin detailed a budget request from his department vaguely called "state security operations" during budget briefings Tuesday before the Senate Ways and Means and Judiciary committees, and the House Finance Committee.

He said the $2.5 million would be used as a contingency fund to coordinate overall response efforts among the state's law enforcement officers — investigators for the Attorney General's Office, deputy sheriffs under the Department of Public Safety, and Division of Conservation and Resources Enforcement officers under the Department of Land and Natural Resources.

That could include deploying resources on Mauna Kea, where construction of the controversial Thirty Meter Telescope has been stalled since 2015 amid legal challenges and large protests.

When construction was set to begin in 2015, protesters who consider the mountain sacred to Hawaiians repeatedly blocked access to the summit to prevent equipment from reaching the project site. Dozens of protesters were arrested and many have vowed to continue opposing the project, which is tied up in the courts.

Last September, when the state Board of Land and Natural Resources issued a new construction permit for the project, Gov. David Ige said that when construction proceeds, the state would balance the rights of protesters with access rights for TMT's developers.

Chin did not specify how the requested security funds might be used on the mountain but said in general it would be distributed among state law enforcement agencies for things like overtime, travel and equipment.

Please see **CHIN,** *A9*

INSIDE

Patients fear losing dialysis treatments

An HMSA policy change effective Feb. 1 stops accepting payments from some nonprofits

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Forward Mike Thomas helps Warriors shut down Cal Poly Mustangs

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Trip to Music City USA should be a blast for the UH volleyball team

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